LINDA CHU TAKAYAMA

LEONARD HOSHIJO



STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

830 PUNCHBOWL STREET, ROOM 321 HONOLULU, HAWAII 96813 www.labor.hawaii.gov Phone: (808) 586-8844 / Fax: (808) 586-9099 Email: dlir.director@hawaii.gov

March 14, 2016

To: The Honorable Mark Nakashima, Chair,

The Honorable Jarett Keohokalole, Vice Chair, and

Members of the House Committee on Labor & Public Employment

Date: Tuesday, March 15, 2016

Time: 10:30 a.m.

Place: Conference Room 309, State Capitol

From: Linda Chu Takayama, Director

Department of Labor and Industrial Relations (DLIR)

Re: S.B. No. 3081 SD1 Relating to Labor

I. OVERVIEW OF PROPOSED LEGISLATION

SB3081SD1 proposes to appropriate an unspecified sum or so much thereof as may be necessary for Fiscal Year (FY) 2016-17 to establish, administer, and support on-the-job training (OJT) for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company (HC&S), effective July 1, 2050.

DLIR estimates that the sum of \$850,000 in general funds would provide OJTs services to about 85-90 workers who lose their jobs as a result of the HC&S closure. OJT programs involve reimbursing employers who hire and train new workers up to 50% or more of the wages paid for a limited period. This costly, but effective training option historically has resulted in a 90% retention rate after the reimbursement period ends. The department supports the bill provided it does not replace or adversely affect priorities identified in the Governor's Supplemental Budget request.

II. CURRENT LAWS

Federal funds currently available are projected to be insufficient to serve the large numbers scheduled for layoff from HC &S. The amount allocated for Maui's dislocated worker program under the federal Workforce Innovation and

Opportunity Act (WIOA) this year is \$140,000, which includes funds for staff support and participant training. This may serve 30-40 individuals. A federal Dislocated Worker Training grant and Job-Driven National Emergency Grant, provides a total additional \$200,000 to serve about 25-35 dislocated workers on Maui County. The first grant expires June 30, 2016, and the second grant expires September 30, 2016.

III. COMMENTS ON THE SENATE BILL

The closure of HC&S will result in the termination of about 670 workers over the period from March to December 2016. DLIR is working with the International Longshore and Warehouse Union (ILWU), HC&S, Maui County, Maui Workforce Development Board, U.S. Department of Labor/Employment and Training Administration, and other agencies to gather data on workers' needs and provide services as appropriate with the funds available.

That data will provide the basis for developing grant proposals to seek additional federal funds to address workers' needs for retraining and facilitate their successful transition to other jobs. DLIR notes that funding decisions by the federal government are contingent on funds available as well as other national priorities, including natural disasters.

Therefore, this bill would be very useful to supplement limited federal funds to ensure that workers can access the services they need when they lose their jobs. OJT, which this bill provides, would expand the number of workers that can benefit from this relatively costly but effective training option. OJT programs involve reimbursing employers who hire and train new workers up to 50% or more of the wages paid for a limited period. This reimbursement is an incentive to employers to hire an employee who lacks all of the skills or experience needed. OJTs are a very powerful tool that has resulted in a 90% retention rate after the reimbursement period ends.

DLIR supports this bill to assist the workers so they may continue to contribute to the economy of Maui, provided it does not replace or adversely affect priorities identified in the Governor's Supplemental Budget request.

DAVID Y. IGE Governor

SHAN S. TSUTSUI Lt. Governor



SCOTT E. ENRIGHT Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE

1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SCOTT E. ENRIGHT CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

March 15, 2016 10:30 A.M. CONFERENCE ROOM 309

SENATE BILL NO. 3081 SD1 RELATING TO LABOR

Chairperson Nakashima and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 3081 SD1 that assists the Department of Labor and Industrial Relations in providing on-the-job training to the dislocated sugar workers on Maui. The Department of Agriculture supports the intent of this measure and defers to the Department of Labor and Industrial Relations.

The closure of the Hawaiian Sugar and Commercial Company will mark the end of over 40 years of sugarcane and pineapple plantation shutdowns that spanned the length of Hawaii - from Ka'u on the Big Island to Kilauea on Kauai. Each closure was painful to the employees, and the many others affected throughout the community and island.

Now we look forward to new agricultural businesses of all sizes from family farms to plantation-scale operations to prepare and cultivate the land with crops and animals that they determine will be profitable and benefiting from the sugar plantation infrastructure. In doing so, they will improve the State's food security and self-sufficiency, bring in income by exporting food and non-food products to the mainland and abroad, and maintain the green and living carpet between the slopes of Haleakala and the West Maui mountains.

Thank you for the opportunity to present our testimony.





OFFICE OF THE MAYOR

Keʻena O Ka Meia COUNTY OF MAUI – Kalana O Maui

TESTIMONY OF ALAN ARAKAWA, MAYOR COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Tuesday, March 15, 2016 10:30 a.m. - Conference Room 309

SB 3081, SD1, RELATING TO LABOR

Honorable Rep. Mark M. Nakashima, Chair Honorable Rep. Jarrett Keohokalole, Vice Chair Honorable Members of the House Committee on Labor & Public Employment

Thank you for this opportunity to testify in STRONG SUPPORT of SB 3081, SD1.

This measure would appropriate funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

As mayor of Maui County I support this bill for the following reasons:

- 1. HC&S recently announced that it will be closing our state's last sugar plantation. Over 650 employees (about two percent of Maui's workforce) will lose their jobs. Layoffs are expected to begin as early as March 7, 2016, with approximately 170 employees being let go.
- 2. Unemployment can greatly impact a person's life as families may not be able to make mortgage, rent and car payments. Parents may not be able to afford sending their children to pre-school, and students may no longer be able to afford school or college tuitions.
- 3. Many of those who will be laid-off are too young to retire, and are willing and able to work. However, like anyone transitioning to a new job, they will need to learn new skills. The on-the-job training program provides an important incentive for employers to hire and train new workers as employers will be reimbursed up to 50% for a period of time if they hire and train new employees.

For these reasons I strongly support SB 3081, SD1.

Testimony to the House Committee on Labor & Public Employment Tuesday, March 15, 2016 at 10:30 A.M. Conference Room 309, State Capitol

RE: SENATE BILL 3081 SD1 RELATING TO LABOR

Chair Nakashima, Vice Chair Keohokalole, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 3081 SD1, which appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui..

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The HC&S closure greatly impacted the state's economy and more significantly, Maui County's workforce. The Chamber supports SB3081 as it is greatly needed to help those 600+ employees resulting from the plantation's closure. The funds provided in this bill to establish an on-the-job training program in Maui will not only help address the dislocated workers directly affected by the closure, but also help the local economy bounce back from this setback.

Thank you for the opportunity to testify.

Hawaiʻi Construction Alliance

P.O. Box 179441 Honolulu, HI 96817 (808) 348-8885

March 11, 2016

The Honorable Mark M. Nakashima, Chair
The Honorable Jarrett Keohokalole, Vice Chair
and members
House Committee on Labor and Public Employment
415 South Beretania Street
Honolulu, Hawai'i 96813

RE: Support for SB3081 SD1, Relating to Labor

Dear Chair Nakashima, Vice Chair Keohokalole, and members:

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Operative Plasterers' and Cement Masons' Union, Local 630; International Union of Bricklayers & Allied Craftworkers, Local 1; the Laborers' International Union of North America, Local 368; and the Operating Engineers, Local Union No. 3. Together, our member unions represent 15,000 working men and women in the basic crafts of Hawai'i's construction industry.

We write in support of SB3081 SD1, Relating to Labor, which would appropriate funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

We are proud to be a member of Mayor Arakawa's Sugar Operators Work Assistance Task Force, which was convened following the announcement that Hawaiian Commercial & Sugar Company would be shutting down sugar production in 2016. The purpose of the task force is "to assist the displaced sugar workers with their transition by identifying and coordinating available employment opportunities, programs and services (including but not limited to training, counseling, job placement, entrepreneurial programs, etc.) and safety net programs (including but not limited to financial counseling, mental health, food and mortgage assistance, etc.), and maximizing their availability to the displaced employees."

Through the task force, we have been collaborating with other stakeholders including DLIR and the Maui County Office of Economic Development to find ways to provide job training and retraining to the workers who will be laid off as a result of the HC&S closure. Additional funding will help to support these efforts and encourage businesses to hire and retrain these workers.

Therefore, we respectfully request your support for SB3081 SD1, Relating to Labor.

Splen Dos Janton Jam

Mahalo,

Tyler Dos Santos-Tam Executive Director

execdir@hawaiiconstructionalliance.org



822 Bishop Street Honolulu, Hawaii 96813 P.O. Box 3440 Honolulu, HI 96801-3440 www.alexanderbaldwin.com Tel (808) 525-6611 Fax (808) 525-6652

SB 3081 SD1 RELATING TO LABOR

PAUL T. OSHIRO MANAGER – GOVERNMENT RELATIONS ALEXANDER & BALDWIN, INC.

MARCH 15, 2016

Chair Nakashima and Members of the House Committee on Labor & Public Employment:

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) on SB 3081 SD1, "A BILL FOR AN ACT RELATING TO LABOR." We support this bill.

Hawaiian Commercial & Sugar Company (HC&S) has been in operation for over 140 years and is Hawaii's last remaining sugar plantation. Regretfully, HC&S will be transitioning out of farming sugar by the end of this year, and will instead pursue a diversified agricultural model for the 36,000 acres presently in cultivation. For many years, A&B has made every possible effort to keep HC&S in operation and did so far longer than any other sugar company in the state. Unfortunately, we are unable to sustain the kind of financial losses that HC&S has realized over the past two years, with no significant improvement in performance anticipated in the future.

A&B is fully committed to support its impacted employees. The Company is providing a team of transition coordinators whose sole responsibility will be to assist HC&S employees on a one-to-one basis in finding alternate employment opportunities, training or re-education, as appropriate. The coordinators will identify and coordinate available Federal, State, County, and private job assistance programs, including

employment counseling, job training, financial counseling, job placement, and education services. A&B also intends to offer all employees enhanced severance and benefit packages. Retirement benefits accrued by eligible employees, retirees, and past employees will not be affected by the transition out of sugar.

A&B supports this bill as it will provide funding to establish, administer, and support on-the-job training for HC&S employees. Any additional initiatives and funding authorizations that will assist in better preparing HC&S employees to meet the qualifications and requirements of new employment opportunities is greatly welcomed. Over the years, HC&S employees have exhibited a strong commitment and dedication towards their jobs and responsibilities, which has been an essential component in enabling HC&S to continue its sugar operations long after the closure of many of the other sugar plantations in Hawaii. We are certain that with proper training and retraining, the many positive attributes of HC&S employees will be of great benefit to other entities and businesses.

Based on the aforementioned, we respectfully request your favorable consideration on this bill.



KEITH A. REGAN MANAGING DIRECTOR



DEPARTMENT OF MANAGEMENT

COUNTY OF MAUI

TESTIMONY OF KEITH REGAN, MANAGING DIRECTOR COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

Tuesday, March 15, 2016 10:30 a.m. - Conference Room 309

SB 3081, SD1, RELATING TO LABOR

Honorable Rep. Mark M. Nakashima, Chair Honorable Members of the House Committee on Labor & Public Employment

Thank you for allowing me this opportunity to testify in **STRONG SUPPORT of SB 3081**, which would appropriate funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

I support this bill for the following reasons:

- 1. It was with great sadness to hear that HC&S will be closing our state's last sugar plantation and that over 650 employees will lose their jobs. We all know how much the loss of a job can impact a person's life. For many families living on a month-to-month basis and barely getting by, they've already begun worrying about how they'll be able to pay their mortgages, rent, and car payments. Parents are wondering if they'll be able to send their children to preschool, after-school-care, and day-care. Students worry that they may no longer be able to afford college tuition.
- 2. Those affected by HC&S's closure include many who have worked there for over 30 years, as well as those who are too young to retire. They are willing and able to work, but like any of us transitioning to a new job, they will need to learn new skills. The on-the-job training program will provide an important incentive for employers to hire and train new workers as employers will be reimbursed up to 50% for a period of time if they hire and train new employees.
- 3. Time is of the essence as the lay-offs, which represent about two percent of Maui's workforce, are expected to begin as early as March 7, 2016, with approximately 170 employees being let go.

For these reasons I strongly support SB 3081, SD1.

The Twenty-Eighth Legislature Regular Session of 2016

HOUSE OF REPRESENTATIVES Committee on Labor & Public Employment Rep. Mark M. Nakashima, Chair Rep. Jarrett Keohokalole, Vice Chair State Capitol, Conference Room 309 Tuesday, March 15, 2016; 10:30 a.m.



STATEMENT OF THE ILWU LOCAL 142 ON S.B. 3081, SD1 RELATING TO LABOR

The ILWU Local 142 **strongly supports** S.B. 3081, SD1, which appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company (HC&S) on Maui. The ILWU represents the majority of the workers at HC&S.

The announcement by HC&S on January 6 that the sugar plantation on Maui would shut down by year's end came as a huge shock to everyone. The company's struggles over the years were many—low yield, financial losses, and challenges from water rights activists and caneburning opponents. Yet the company seemed to be plugging away, trying various crops and holding out hope for a turnaround. While not entirely unexpected, the announcement of closure was a shock nonetheless.

The closure of HC&S means the end of sugar in Hawaii. It also means the loss of employment for more than 600 workers, many of whom have worked only for HC&S their entire lives. Adjustment to a new job or a new career will be difficult, if not impossible, without a good deal of help.

Federal funds are currently available for dislocated workers (i.e., workers being laid off) to use for job training and other services. However, one federal grant is set to expire in June and cannot be extended. The other federal grant is set to expire in September, well before December 31 when the last half of the employees are expected to be laid off.

S.B. 3081, SD1 proposes to appropriate funds to assist HC&S workers with funding to allow the State Department of Labor and Industrial Relations to help these workers into new jobs or new careers. The key program for this assistance is On-the-Job Training (OJT). Under this program, an employer with a job to offer enters into a contract with DLIR to hire an HC&S worker in a job sufficiently dissimilar to what he did for HC&S. The employer must be willing to train the new employee upon hire and agree to retain the employee in a permanent position. In exchange, the employer is entitled to be reimbursed 50% of the employee's wages for up to six months.

We see this as a win-win situation. The employer will benefit from an incentive to hire an HC&S worker and provide on-the-job training. The HC&S worker will have a chance at a new job in a new career path. The funds provided by the State will be an investment in workers, who will be gainfully employed and not require government assistance for support, and in the community's interest with more individuals contributing to the economy.

The question will undoubtedly be raised: Why HC&S workers? There are several reasons.

First, HC&S is a large employer. At least 650 employees will be laid off this year, roughly two percent of the working population on Maui. The impact of even a fraction of this many people unable to find suitable employment at one time is potentially enormous to the community.

Second, the demographics of this population of workers require additional assistance. From experience, the ILWU knows that this has been the case in every other plantation closure.

Third, the OJT program will potentially allow HC&S workers to retain the income level they had been accustomed to. Instead of having to settle for multiple low-wage jobs in order to maintain the same level of income, through the OJT program, workers can secure stable, permanent positions that will sustain them and their families into the future.

The ILWU urges passage of S.B. 3081, SD1. Thank you for the opportunity to testify on this important measure.





Testimony of
Lisa H. Paulson
Executive Director
Maui Hotel & Lodging Association
on
SB 3081 SD1

COMMITTEE ON LABOR AND PUBLIC EMPLOYMENT

Relating To Labor

Tuesday, March 15, 2016, 10:30 am Conference Room 309

Dear Chair Nakashima, Vice Chair Keohokalole and Members of the Committee,

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry. Our membership includes over 150 property and allied business members in Maui County – all of whom have an interest in the visitor industry. Collectively, MHLA's membership employs over 20,000 local residents and represents over 19,000 rooms. The visitor industry is the economic driver for Maui County. We are the largest employer of residents on the Island - directly employing approximately 40% of all residents (indirectly, the percentage increases to 75%).

MHLA is <u>in support</u> of SB 3081 SD1, which appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

Hawaiian Commercial & Sugar Company (HC&S) recently announced closure of our State's last sugar operation is expected to result in the layoff of more than 650 employees, approximately 2% of Maui's workforce. Federal funds currently available are projected to be insufficient to serve the large numbers scheduled for layoff from HC&S. The amount allocated for Maui's dislocated worker program under the federal Workforce Innovation and Opportunity Act (WIOA) this year is \$140,000, which includes funds for staff support and participant training. This may serve 30-40 individuals. A federal Dislocated Worker Training grant and Job-Driven National Emergency Grant, provides a total additional \$200,000 to serve about 25-35 dislocated workers in Maui County.

Therefore, this bill would be very useful to supplement limited federal funds to ensure that workers can access the services they need when they lose their jobs. On-the-job training (OJT), which this bill provides, would expand the number of workers that can benefit from this relatively costly but effective training option. OJTs involve reimbursing employers who hire and train new workers up to 50% or more of the wages paid for a limited period. This reimbursement is an incentive to employers to hire an employee who lacks all of the skills or experience needed.

We respectfully request you consider passing SB 3081 SD1. Thank you for the opportunity to testify.





P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

March 15, 2016

HEARING BEFORE THE HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

TESTIMONY ON SB 3081, SD1 RELATING TO LABOR

Room 309 10:30 AM

Aloha Chair Nakashima, Vice Chair Keohokalole, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interest of our diverse agricultural community.

HFB is in strong support of SB 3081, SD1, which appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

The announcement by HC&S on the same day as a similar announcement by Hamakua Springs of their closure clearly demonstrates the challenges faced by commercial agriculture. Yet, Hawaii wants to see agriculture as part of their plan for increased self sufficiency and sustainability.

HFB strongly supports this measure to provide training assistance in adapting to job opportunities. Employees will need to find other jobs and require training to enhance their skills to become successful in new job opportunities. However, at the same time A&B's diversification plans will also require workers in the future. General horticultural knowledge which quite different from sugarcane will be needed.

We respectfully respect your support of this important measure while addressing the concern to ensure that confidential business information is protected. We respectfully **urge the passage of SB 3018, SD1**. Thank you for this opportunity to comment on this measure.



HAWAII STATE AFL-CIO

345 Queen Street, Suite 500 • Honolulu, Hawaii 96813



The Twenty-Eighth Legislature, State of Hawaii Hawaii State House of Representatives Committee on Labor and Public Employment Telephone: (808) 597-1441 Fax: (808) 593-2149

Testimony by Hawaii State AFL-CIO March 15, 2016

S.B. 3081, S.D. 1 – RELATING TO LABOR

The Hawaii State AFL-CIO supports S.B. 3081, S.D. 1, which appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company (HC&S) on Maui.

When HC&S ends their sugar operations on Maui this year, hundreds of employees will be permanently laid off and will face a very difficult and challenging time as they begin to seek new employment in completely different industries. Ultimately, many former HC&S employees will need to be trained and educated for new jobs and those who continue working in the agricultural industry may be required to learn completely new skill sets. Fortunately, S.B. 3081, S.D. 1 will help many of these dislocated workers by providing on-the-job training to ensure they have the proper skills sets moving forward.

Thank you for the opportunity to testify.

, Randy Perreira

Respectfully submitted,

President



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922



The Twenty-Eighth Legislature, State of Hawaii Hawaii State House of Representatives Committee on Labor and Public Employment

Testimony by Hawaii Government Employees Association

March 15, 2016

S.B. 3081, S.D. 1 – RELATING TO LABOR

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports the purpose and intent of S.B. 3081, S.D. 1, which is to address the pending unemployment and dislocation of employees due to the closure of Hawaiian Commercial & Sugar Company and to offset the expiration of federal funding to establish, administer and support on-the-job training on Maui.

The transition of thousands of acres of farmland on Maui to diversified agriculture will affect the local economy in significant ways. As these employees lose their jobs, there will be economic hardship for them and the larger Maui community. Therefore, retraining Maui's workforce is critical to mitigating the effects of large scale job losses on the local economy.

Thank you for the opportunity to testify in support of S.B. 3081, S.D. 1.

Respectfully submitted,

Randy Perreira

Executive Director





March 14, 2016

Representative Mark M. Nakashima, Chair Representative Jarrett Keohokalole, Vice Chair House Committee on Labor

Comments in Support of SB 3081, SD1 Relating to Labor (Appropriates funds to establish, administer, and support on-the-job training for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.)

LAB Hearing: Tuesday, March 15, 2016, 10:30 a.m., Conference Room 309

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **comments and support of SB 3081**, **SD1** and to offer encouragement to the displaced workers of Hawaiian Commercial & Sugar Company (HC&S) on Maui.

<u>SB 3081, SD1</u>. This bill appropriates *an unspecified amount* to establish, administer, and support the on-the-job training for individuals who are unemployed and dislocated due to the closure of HC&S. The purpose of this bill is to address the pending unemployment and dislocation of individuals due to the closure of HC&S and offset the expiration of Job-Driven National Emergency Grant funds by appropriating funds to establish, administer, and support on-the-job training programs on Maui.

<u>LURF's Position</u>. LURF **supports** this appropriation measure, as it understands that it will help to address the closure of the HC&S, which will cause the loss of over six hundred jobs on Maui.

LURF understands that this appropriation bill is necessary due to the expiration of federal funding for the United States Department of Labor's Job-Driven National Emergency Grant to the State to implement or expand job-driven training programs for dislocated workers, including but not limited to, opportunities for on-the-job training and apprenticeships. LURF further understands that the expiration of federal funds on

House Committee on Labor March 14, 2016 Page 2

June 30, 2016 is likely to make such on-the-job training programs unavailable for a large group of displaced and unemployed HC&S workers who are scheduled to be laid off in the latter part of 2016.

By recognizing the significance of, and need to provide on-the-job training for displaced and unemployed agricultural workers on Maui, LURF believes that SB 3081, SD1 could assist in the goals of the continued employment of agricultural workers and attaining economically viable agriculture in Hawaii.

Thank you for the opportunity to present testimony **in support** of this measure.